



Sean Rogan
Executive Director

**COMMUNITY DEVELOPMENT COMMISSION
of the County of Los Angeles**

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November 05, 2014

The Honorable Board of Commissioners
Community Development Commission
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

3-D November 5, 2014

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Commissioners:

**APPROVE THREE CONSTRUCTION CONTRACTS FOR THE RESIDENTIAL SOUND
INSULATION PROGRAM TO COMPLETE WORK IN UNINCORPORATED LENNOX AND ATHENS
(DISTRICT 2) (3 VOTES)**

SUBJECT

This letter recommends approval of three construction contracts, one with Karabuild Development, Inc., and two with S & L Specialty Contracting, Inc., to complete sound insulation improvements for up to 111 dwelling units on 57 properties in unincorporated Lennox and Athens. Approval of the contracts will permit the Community Development Commission of the County of Los Angeles (Commission) to continue to provide sound rated mitigation improvements that reduce the exterior noise impact for properties located within the flight path of the Los Angeles International Airport.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and authorize the Executive Director, or his designee, to execute three construction contracts and all related documents with Karabuild Development Inc., and S & L Specialty Contracting, Inc., to complete sound insulation improvements for up to 111 dwelling units on 57 properties in unincorporated Lennox and Athens, using a total of up to \$2,861,340 in funding consisting of \$1,527,460.80 in Federal Aviation Administration (FAA), \$1,304,559.20 in Los Angeles World Airports (LAWA) and \$29,320 in Community Development Block Grant (CDBG) funds allocated to the Second Supervisorial District.
2. Authorize the Executive Director, or his designee, if necessary, to reduce the scope of work and associated monetary amount, to amend, or to terminate the contracts.
3. Authorize the Executive Director, or his designee, to approve contract change orders not to

exceed \$286,134 (10%) for any unforeseen project costs, using FAA, LAWA and CDBG funds.

4. Find that sound insulation improvements are exempt from the provisions of the California Environmental Quality Act (CEQA) because the work includes activities that will not have the potential for causing a significant impact on the environment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The recommended award of construction contracts to Karabuild Development, Inc., and S & L Specialty Contracting, Inc., will provide sound insulation improvements for up to 111 dwelling units on 57 properties in unincorporated Lennox and Athens.

FISCAL IMPACT/FINANCING

There is no impact on the County general fund. The improvements will be funded with \$1,527,460.80 in FAA, \$1,304,559.20 in LAWA, and \$29,320 in CDBG funds.

A 10% contingency, in the amount of \$286,134, is being set aside for unforeseen costs, using the same source of funds.

Funds for these projects are included in the Commission's approved Fiscal Year 2014-2015 budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On December 17, 1991 and February 18, 2014, your Board authorized the Commission to submit annual applications to the FAA and LAWA for an Airport Improvement Program grant to implement a noise compatibility program for properties located within the flight path of Los Angeles International Airport. The FAA and LAWA subsequently approved applications and allocated a total of \$128.1 million for the Commission's Residential Sound Insulation Program, including funding for sound insulation of the subject properties. The FAA and LAWA funding sources cover specific geographic areas. Based on their geographic location, the 111 dwelling units on the 57 properties in unincorporated Lennox and Athens are eligible for FAA and LAWA sources of funding.

The residences are located within the 65dB, 70dB and 75dB Community Noise Equivalent Levels contours and have been determined by LAWA and FAA to be severely affected and constantly exposed to noise generated from low flying aircraft. The buildings were constructed without sound-rated modifications and do not effectively reduce the exterior air traffic noise generated by the airplanes. The Commission will enter into Owner Participation Agreements with property owners.

Authority is requested to reduce the scope of work and associated monetary amount of the contracts in the event that any of the property owners decline to participate in the program prior to or after the award of the contracts.

The proposed contracts will provide for the following improvements: replacement of all windows and doors; installation of attic insulation; heat ventilation and air conditioning systems; upgrade of electrical panels; and completion of miscellaneous code compliance work. It is anticipated that the work will be completed within 150 calendar days following the Notice to Proceed.

The improvements are being federally funded, and the contractors will comply with Section 3 of the Housing and Community Development Act of 1968, as amended, which requires that employment

and other economic opportunities generated by certain U.S. Department of Housing and Urban Development (HUD) assistance be directed to low- and very low-income persons, particularly to persons who are recipients of HUD housing assistance.

ENVIRONMENTAL DOCUMENTATION

Pursuant to Title 24 of the Code of Federal Regulations, Section 58.35 (a)(3)(i) and (ii), approval of the contracts is excluded from the National Environmental Policy Act because it involves activities that will not alter existing environmental conditions. The action is exempt from the provisions of CEQA pursuant to State CEQA Guidelines Section 15301 because the activities involve negligible or no expansion of existing uses.

Properties funded through this program will be reviewed and approved on a site by site basis prior to the commencement of any work under these contracts.

CONTRACTING PROCESS

On August 4, 2014 the Commission initiated an outreach to identify contractors to complete the sound insulation work. Invitations for Bids were mailed to 437 contractors identified from the Commission's vendor list of general B-licensed contractors. Advertisements also appeared in the Dodge Construction News and on the Commission and County WebVen websites.

The Commission received a total of 15 bids in response to the outreach. Each of the bids received was formally opened and evaluated. Karabuild Development, Inc., and S & L Specialty Contracting, Inc., were the lowest responsive bidders and are being recommended for these contract awards.

The Summary of Outreach Activities is provided as Attachment A.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The award of the construction contracts will reduce the exterior noise impact for up to 111 households in unincorporated Lennox and Athens.

The Honorable Board of Supervisors

11/5/2014

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Respectfully submitted,

A handwritten signature in black ink, appearing to read "Sean Rogan", followed by a horizontal line.

SEAN ROGAN

Executive Director

SR:CC:lp

Enclosures

Attachment A

Summary of Outreach Activities

On August 4, 2014 the Commission initiated outreach to identify contractors to complete sound insulation improvements in 111 units on 57 properties in unincorporated Lennox and Athens.

A. Invitation for Bids Advertising

An announcement appeared in the Dodge Construction News.

An announcement was also posted on the Commission's and County WebVen websites.

B. Distribution of Bid Packages

The Commission's vendor list was used to mail out Invitations for Bids to 437 general B-licensed contractors, of which 386 identified themselves as businesses owned by minorities or women (private firms which are 51% owned by minorities or women, or publicly owned businesses in which 51% of the stock is owned by minorities or women). As a result of the outreach, 149 bid packages were requested and distributed.

C. Pre-Bid Conference and Site Walk

On August 12, 2014 a mandatory pre-bid conference and site walks were conducted.

D. Bid Results

On August 26, 2014, fifteen (15) bids were received and formally opened. The bid results were as follows:

GROUP 103

<u>Company</u>	<u>Bid Amount</u>
Karabuild Development, Inc.	\$747,858.00
DAB Construction, Inc.	\$754,016.24
S & L Specialty Contracting Inc.	\$759,454.00
Harry H. Joh Construction, Inc.	\$762,966.00
SPEC Construction, Inc.	\$857,233.00

GROUP 104

<u>Company</u>	<u>Bid Amount</u>
S & L Specialty Contracting, Inc.	\$1,183,660.00
Karabuild Development, Inc.	\$1,252,659.00
DAB Construction, Inc.	\$1,254,487.50
Harry H. Joh Construction	\$1,269,141.00

GROUP 105

<u>Company</u>	<u>Bid Amount</u>
S & L Specialty Contracting, Inc.	\$929,822.00
DAB Construction, Inc.	\$931,490.00
Karabuild Development, Inc.	\$956,680.00
Harry H. Joh Construction	\$970,557.00
SPEC Construction Co. Inc.	\$1,045,283.00
Professional Services Construction, Inc.	\$1,053,199.72

E. Minority/Female Participation – Selected Contractor

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
Karabuild Development, Inc.	Non-Minority	10 minorities 2 women 77% minorities 15% women
S & L Specialty Contracting, Inc.	Non-Minority	59 minorities 2 women 66% minorities 2% women

F. Minority/Female Participation – Firm Not Selected

<u>Name</u>	<u>Ownership</u>	<u>Employees</u>
Harry H. Joh Construction, Inc.	Minority	7 minority 1 woman 100% minorities 14% women
Professional Services Construction, Inc.	Non-Minority	45 minorities 5 women 76% minorities 9% women
DAB Construction, Inc.	Non-Minority	0 minority 0 women 0% minorities 0% women
SPEC Construction	Non-Minority	13 minority 1 woman 69% minorities 5% women

The Commission conducts ongoing outreach to include minorities and women in the contract award process, including: providing information at local and national conferences; conducting seminars for minorities and women regarding programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Commission.

The recommended award of the contracts is being made in accordance with the Commission's policies and federal regulations, and without regard to race, creed, color or gender.

CONSTRUCTION CONTRACT FOR THE RESIDENTIAL SOUND INSULATION PROGRAM FOR

This CONSTRUCTION CONTRACT, hereinafter referred to as "CONTRACT," is made this day of _____, 20____, by and between the Community Development Commission of the County of Los Angeles, a public body corporate and politic, hereinafter referred to as the "COMMISSION", and _____ hereinafter referred to as the "CONTRACTOR".

RECITALS

WITNESSETH, that the COMMISSION and the CONTRACTOR, for the consideration stated herein, mutually agree as follows:

A. WHEREAS, the COMMISSION has established a Residential Sound Insulation Program (RSIP) using grant funds available from the Los Angeles World Airport (LAWA) and the U.S. Federal Aviation Administration (FAA) to provide for sound insulation of residential dwellings impacted by the Los Angeles International Airport.

B. The term "Work", includes performance, as set forth in the Contract Documents by the CONTRACTOR, in and upon the real properties located throughout unincorporated Los Angeles County and listed in Exhibit "A", hereinafter referred to as "Project Site".

C. The COMMISSION and the owners of the real properties ("PROPERTY OWNER") listed in Exhibit "A", hereinafter referred to as the PROPERTY OWNER have executed an Owner's Participation Agreement and desire the CONTRACTOR to perform the Work under the terms and conditions hereinafter set forth, and CONTRACTOR agrees to perform said Work under the terms and conditions set forth below.

TERMS AND CONDITIONS

ARTICLE 1 - CONSTRUCTION CONTRACT

1.1. CONSTRUCTION DOCUMENTS

The CONTRACT means and includes all of the "Contract Documents". The Contract Documents which form the CONTRACT are incorporated herein by this reference and are made a part of this CONTRACT as if fully set forth herein. The Contract Documents consist of the following component parts:

PART A	Instructions to Bidders
PART B	Specifications
PART C	Bidder's Documents, Representations, Certifications, Bid, and Other Statements of Bidder
DRAWINGS	
ADDENDA	

ARTICLE 2 –STATEMENT OF WORK

2.1. LABOR, MATERIAL, EQUIPMENT AND SERVICES

The CONTRACTOR shall furnish all labor, material, equipment and services, and perform and complete all Work required for the Project identified as a residential rehabilitation for the COMMISSION and the PROPERTY OWNER.

2.2. PROFESSIONAL WORKMANSHIP

CONTRACTOR agrees to perform in a professional workmanlike manner, to the satisfaction of the COMMISSION's Executive Director and his designees, all work as described in the Contract Documents herein before mentioned. All such Work shall be in strict accordance with the specifications and drawings, identified as Part B and Part C of the Contract Documents incorporated herein by this reference.

2.3. DATA IN CONTRACT DOCUMENTS

Data provided in the Specifications, Drawings and Scope of Work is believed to actually depict the conditions to be encountered by the CONTRACTOR, but the COMMISSION and the PROPERTY OWNER do not guarantee such information as being all-inclusive or complete in any respect. Nothing contained herein shall relieve CONTRACTOR from making any and all investigations through non-destructive observation of the Project Site that is reasonably necessary to apprise him/herself of the condition of the Project Site. CONTRACTOR hereby accepts the Project in an "as is" condition and herein warrants that all such investigations have been performed by him/her, and hereby expressly waives any and all rights under this CONTRACT, or in law, to additional compensation and/or time adjustments for alleged unknown subsurface and/or latent conditions that could be reasonably discovered or inferred based upon standard industry construction practices and techniques.

ARTICLE 3 – TIME OF COMMENCEMENT AND COMPLETION

3.1. COMMENCEMENT AND COMPLETION

The Work to be performed under this CONTRACT shall be commenced within ten (10) days after a Notice to Proceed is received by the CONTRACTOR, or on the date specified in the Notice to Proceed, whichever is later, and shall be completed within one hundred fifty (150) calendar days following the date of said Notice to Proceed.

3.2. LIQUIDATED DAMAGES

Failure of the CONTRACTOR to complete the Work within the time allowed will result in damages being sustained by the COMMISSION. Such damages are, and will continue to be, impracticable and extremely difficult to determine. For each consecutive calendar day in excess of the time specified for completion of the Work, or any extension granted by the COMMISSION, CONTRACTOR shall pay to COMMISSION, or have withheld from monies due it, the sum of One Thousand Five Hundred Dollars (\$1,500.00) for each date of delay. If different completion dates are specified in the CONTRACT for separate parts or stages of the Work, the amount of liquidated damages shall be assessed on those parts or stages which are delayed.

To the extent that the CONTRACTOR's delay or nonperformance is excused because of unforeseeable causes beyond the control and without the fault or negligence of the CONTRACTOR, or under another clause of this CONTRACT, liquidated damages shall not be due the COMMISSION. The CONTRACTOR remains liable for damages caused other than by delay, where applicable.

Execution of the CONTRACT shall constitute agreement by the COMMISSION and CONTRACTOR that \$1,500 per day is the minimum value of the costs and actual damage caused by the failure of the CONTRACTOR to complete the Work within the

allotted time. Such sum is liquidated damages and shall not be construed as penalty, and may be deducted from payments due the CONTRACTOR if such delay occurs.

Liquidated damages assessed during construction will be returned to the COMMISSION. See 3.3.

3.3. WITHHOLDING

The COMMISSION may withhold, or cause to be withheld, from any monies payable on account of Work performed by the CONTRACTOR or Subcontractor any accrued liquidated damages.

ARTICLE 4 – CONTRACT SUM

4.1. CONTRACT SUM

The COMMISSION shall pay the CONTRACTOR for the performance of the CONTRACT subject to additions and deductions by Change Order(s) as provided in the Contract Documents, in current funds, the sum of _____ **Dollars (\$XXXXXXXXXX)** ("Contract Sum"). The CONTRACTOR represents and warrants that he/she shall pay his/her employees, and all individuals performing Work, the higher of the applicable Federal Wage Decision and State Residential Wage Decision to all employees working at the site, as incorporated herein by reference.

4.2. TAXES

The Contract Sum set forth herein includes the payment by the CONTRACTOR of all sales and use taxes required by any local codes, or any law existing or which may hereafter be adopted by federal, state or governmental authority, taxing the materials, services required or labor furnished, and of any other tax levied by reason of the Work to be performed hereunder.

4.3. ESCALATION

The Contract Sum is not subject to escalation, the CONTRACTOR having satisfied their self with said Contract Sum, which includes all labor and material increases anticipated throughout the duration of this CONTRACT.

4.4. FISCAL OBLIGATION AND NON-APPROPRIATION NOTICE

The COMMISSION's obligation is payable only from LAWA, FAA and Community Development Block Grant funds, or other funds appropriated specifically for the purpose of this CONTRACT. All funds are appropriated every fiscal year beginning July 1. In the event this CONTRACT extends into the succeeding fiscal year and funds have not been appropriated, this CONTRACT will automatically terminate as of June 30 of the current fiscal year. The COMMISSION will endeavor to notify the CONTRACTOR in writing within ten (10) days of receipt of the non-appropriation notice.

ARTICLE 5 – PROGRESS PAYMENTS

5.1. PROGRESS PAYMENTS

Based upon applications for payment submitted by the CONTRACTOR to the COMMISSION, the COMMISSION shall make progress payments on account of the Contract Sum to the CONTRACTOR, as provided in the PART A of the Contract Documents incorporated by reference herein.

The COMMISSION will maintain a holding account for the Grant amount to cover the CONTRACT price. Payments to the CONTRACTOR will be drawn down from this account.

5.2. PAYMENT TIMEFRAME

Approved applications for progress payments will be paid in accordance with the COMMISSION's standard policy of net thirty (30) days. Applications for payment must be submitted to the COMMISSION with all supporting documentation for review and approval. Payment shall be subject to all provisions of Part A Section 4.00 General Conditions, Item 40 – Compensation; and Part B Section 01310-3 Item 3.9 - Progress Payments, of Contract Documents incorporated herein by reference.

5.3. LABOR COMPLIANCE FORMS

The CONTRACTOR and each Subcontractor shall submit all required Labor Compliance forms to the COMMISSION before the start of construction. The CONTRACTOR shall submit to the COMMISSION all of its payrolls for each pay period within seven (7) days after the pay period has ended. The CONTRACTOR shall also collect, review and submit to the COMMISSION all of its Subcontractors' payrolls for each pay period within seven (7) days after the pay period has ended. CONTRACTOR's failure to submit its payrolls or any Subcontractor payrolls within seven (7) days after the pay period has ended, is a violation of this CONTRACT and entitles the COMMISSION to withhold up to ten percent (10%) from any pending progress payment until all such payrolls are received. Repeated ongoing or flagrant failures by the CONTRACTOR to submit the required forms, its payrolls or the payrolls of its Subcontractors in a timely manner and in accordance with this provision constitutes a material breach of this CONTRACT which may result in the COMMISSION terminating the CONTRACT for default.

ARTICLE 6 - PROJECT CLOSEOUT

6.1. OWNERSHIP UPON PROJECT COMPLETION

All materials shall become the property of the PROPERTY OWNER upon completion of the Work and final inspection by the COMMISSION. General maintenance of doors, windows and all other items, and their replacement beyond expiration of manufacturer's warranty shall be the responsibility of the PROPERTY OWNER.

6.2. NOTICE OF COMPLETION

A Notice of Completion shall be issued only when the Work, including all phases thereof, is finally completed, and all requirements of this CONTRACT have been satisfied. The COMMISSION shall initiate the notice and ensure said notice is recorded by the CONTRACTOR with the County Recorder.

6.3. FINAL PAYMENT

Upon issuance of a Notice of Completion, final payment shall be made to the CONTRACTOR of the entire unpaid balance of the Contract Sum, including any sums due to the CONTRACTOR for changes in the Work approved by the COMMISSION pursuant to Part A and B of the Contract Documents (incorporated herein by reference), less any amounts that the COMMISSION is entitled to receive from the CONTRACTOR under the terms of this CONTRACT, less the five (5) percent retention and any disputed labor amounts, pursuant to Part A and B of the Contract Documents (incorporated herein by reference).

6.4. CERTIFICATE OF COMPLETION, GUARANTIES AND WARRANTIES, WAIVER AND LIEN RELEASES AND INSPECTOR VERIFICATION

In addition to all other requirements, a Notice of Completion shall be issued only when the COMMISSION has received the following:

- A. A Certificate of Completion, executed by the CONTRACTOR.
- B. All guarantees and warranties issued by the manufacturers or installers of equipment or other component parts of the project. The CONTRACTOR guarantees that any equipment, materials, and workmanship not otherwise covered by the warranty, will be free from defects in materials and workmanship for a period of one year following the date of final acceptance of the Project.
- C. The waiver and release of all liens, claims of liens, or stop notice rights of the CONTRACTOR and all Subcontractors, and the CONTRACTOR's Warranty Certificate and Lien Release.
- D. Verification from the COMMISSION's Construction Management Inspector that CONTRACTOR has acceptably completed the work and removed all waste materials, rubbish, tools, construction equipment, machinery, and surplus materials from the Project Site. If the CONTRACTOR has failed to remove any of such items, the COMMISSION may remove such items, and the CONTRACTOR shall pay the COMMISSION for all costs incurred in connection with such removal.
- E. The building permit card with the final approval from the County of Los Angeles Building and Safety Department and hazardous waste manifest from certified disposal site.

6.5. SETTLEMENT OF ALL CLAIMS, DISPUTES, FINAL ACCEPTANCE NOTIFICATION AND RETENTION RELEASE

Thirty (30) days after recordation of the Notice of Completion, the COMMISSION shall settle all claims and disputes, notify the CONTRACTOR of final acceptance of the Project, and release the retention of the entire unpaid balance of the Contract Sum, less any amounts which the COMMISSION is entitled to receive from the CONTRACTOR under the terms of this CONTRACT, including liquidated damages.

ARTICLE 7 - BREACH AND TERMINATION

7.1. WAIVER

Waiver by the COMMISSION of any breach of this CONTRACT shall not constitute a waiver of any other breach or of any future breach. No payment made hereunder shall be construed to be an acceptance of defective work or improper materials.

7.1. A BREACH OF CONTRACT TERMS

Any violation or breach of terms of this contract on the part of the CONTRACTOR or its Subcontractors may result in the suspension or termination of this contract or such other action that may be necessary to enforce the rights of the parties of this agreement. The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder are in addition to, and not a limitation of, any duties, obligations, rights and remedies otherwise imposed or available by law.

7.2. TERMINATION

In addition to any right of termination reserved to the COMMISSION by the Contract Documents, the COMMISSION may terminate this CONTRACT or performance under this CONTRACT, if the CONTRACTOR is adjudged bankrupt, a receiver is appointed

because of the CONTRACTOR's insolvency, or the CONTRACTOR makes a general assignment for the benefit of its creditors, fails to make prompt payment to Subcontractors, or for material or labor, persistently disregards laws, ordinances, rules, regulations or orders of any public authority having jurisdiction, fails to construct the Project in accordance with the Scope of Work, or otherwise substantially violates any provision of the CONTRACT.

7.3. TERMINATION FOR CAUSE

This CONTRACT may be terminated by the COMMISSION upon written notice to the CONTRACTOR for just cause (failure to perform satisfactorily any of the CONTRACT terms, conditions, and work items) with no penalties incurred by the COMMISSION upon termination or upon the occurrence of any of the following events specified in the following subsections A, B or C.

- A. Should the CONTRACTOR fail to perform all or any portion of the Work required to be performed hereunder in a timely and professional workmanlike manner or properly carry out the provisions of this CONTRACT in its true intent and meaning, then in such case, notice thereof in writing will be served upon the CONTRACTOR, and should the CONTRACTOR neglect or refuse to provide a means for satisfactory compliance with this CONTRACT and with the direction of the COMMISSION within the time specified in such notice, the COMMISSION shall have the power to suspend or terminate the operations of the CONTRACTOR in whole or in part.
- B. Failure on the part of the CONTRACTOR to procure or maintain insurance required by this CONTRACT shall constitute a material breach of the CONTRACT upon which the COMMISSION may immediately terminate this CONTRACT.
- C. Should the CONTRACTOR fail within five (5) days to perform in a satisfactory manner, in accordance with the provisions of this CONTRACT, or if the Work to be done under said CONTRACT is abandoned for more than three (3) days by the CONTRACTOR, then notice of deficiency thereof in writing will be served upon the CONTRACTOR by the Contracting Officer of the COMMISSION'S Economic and Housing Development Division. Should the CONTRACTOR fail to comply with the terms of said CONTRACT within five (5) days, upon receipt of said written notice of deficiency, the Executive Director of the COMMISSION shall have the power to suspend or terminate the operations of the CONTRACTOR in whole or in part.
- D. In the event that a petition of bankruptcy shall be filed by or against the CONTRACTOR.
- E. If, through any cause, the CONTRACTOR shall fail to fulfill, in a timely and proper manner, the obligations under this CONTRACT, or if the CONTRACTOR shall violate any of the covenants, agreements, or stipulations of this CONTRACT, the COMMISSION shall thereupon have the right to terminate this CONTRACT by giving written notice to the CONTRACTOR of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by the CONTRACTOR under this CONTRACT shall, at the option of the COMMISSION become its property and the CONTRACTOR shall be entitled to receive just and equitable compensation for any work satisfactorily completed.

7.4. TERMINATION FOR CONVENIENCE

The COMMISSION reserves the right to cancel this CONTRACT for any reason at all upon thirty (30) days prior written notice to CONTRACTOR. In the event of such termination, CONTRACTOR shall be entitled to a prorated portion paid for all

satisfactory work unless such termination is made for cause, in which event, compensation if any, shall be adjusted in such termination.

7.5. WRITTEN NOTICE PRIOR TO TERMINATION

The COMMISSION shall give the CONTRACTOR and its surety written notice prior to terminating this CONTRACT or performance under this CONTRACT, pursuant to the Contract Documents, provided that the CONTRACTOR shall, upon receipt of such notice, immediately stop the installation of improvements, or other permanent construction work encompassing part of the Project. Upon termination, the COMMISSION may take possession of the Project and all materials, equipment, tools, and construction equipment and machinery owned by the CONTRACTOR and located at the Project Site, and may finish the Project by whatever method it may deem expedient. In such case, the CONTRACTOR shall not be entitled to receive any further payment under this CONTRACT.

7.6. WAIVING OF COMMISSION'S OTHER RIGHTS AND REMEDIES

The COMMISSION shall not be deemed to have waived any of its other rights or remedies against the CONTRACTOR by exercising its right of termination under this Article.

7.7. TERMINATION FOR IMPROPER CONSIDERATION

The COMMISSION may, by written notice to CONTRACTOR, immediately terminate the right of CONTRACTOR, to proceed under this CONTRACT if it is found that consideration, in any form, was offered or given by CONTRACTOR, either directly or through an intermediary, to any COMMISSION officer, employee or agent with the intent of securing the CONTRACT or securing favorable treatment with respect to the award, amendment or extension of the CONTRACT or the making of any determinations with respect to the CONTRACTOR's performance pursuant to the CONTRACT. In the event of such termination, the COMMISSION shall be entitled to pursue the same remedies against CONTRACTOR as it could pursue in the event of default by the CONTRACTOR.

CONTRACTOR shall immediately report any attempt by a COMMISSION officer or employee to solicit such improper consideration. The report shall be made to the Executive Director of the COMMISSION or the County Auditor-Controller's Employee Fraud Hotline (800) 544-6861.

Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

7.8. COPELAND "ANTI-KICKBACK" ACT

The United States Department of Labor Wage and Hours Division oversees the Copeland "Anti-Kickback" Act requirements. All contracts and subcontracts must meet comply with the Occupational Safety and Health Act of 1970. United States Department of Labor Wage and Hours Division can provide information regarding any specific clauses or assurances pertaining to the Copeland "Anti-Kickback" Act requirements required to be inserted in solicitations, contracts or subcontracts.

7.9. COMMISSION'S QUALITY ASSURANCE PLAN

The COMMISSION will evaluate CONTRACTOR's performance under this CONTRACT on not less than a weekly basis. Such evaluation will include assessing CONTRACTOR's compliance with all CONTRACT terms and performance standards.

CONTRACTOR deficiencies which the COMMISSION determines are severe or continuing and that may place performance of the CONTRACT in jeopardy if not corrected will be reported to the Board of Commissioners. The report will include improvement/corrective action measures taken by the COMMISSION and the CONTRACTOR. If improvement does not occur consistent with the corrective action measures, the COMMISSION may terminate this CONTRACT or impose other penalties as specified in this CONTRACT.

7.10. NON-PAYMENT AFTER EXPIRATION OR TERMINATION

The CONTRACTOR shall have no claim against the COMMISSION or a PROPERTY OWNER for payment of any money or reimbursement, of any kind whatsoever, for any service provided by CONTRACTOR after the expiration or other termination of this CONTRACT. Should CONTRACTOR receive any such payment, it shall immediately notify the COMMISSION and shall immediately repay all such funds to the COMMISSION. Payment by the COMMISSION for services rendered after expiration/termination of this CONTRACT shall not constitute a waiver of the COMMISSION's right to recover such payment from CONTRACTOR. This provision shall survive the expiration or other termination of this CONTRACT.

ARTICLE 8 - MISCELLANEOUS PROVISIONS

8.1. COMPLIANCE WITH GOVERNMENT REQUIREMENTS

The CONTRACTOR shall give all notices and comply with all laws, rules, regulations, ordinances and orders of any governmental entity relating to the Work. Should CONTRACTOR become aware that any provision of the CONTRACT is at variance with any such rule, law, regulation, ordinance or order; they shall promptly give notice in writing to the COMMISSION of such variance.

8.2. SEVERANCE

It is hereby declared to be the intention of the parties that the sections, paragraphs, sentences, clauses and phrases of this CONTRACT are severable, and if any phrase, clause, sentence, paragraph or section of this CONTRACT shall be declared unconstitutional, invalid or unenforceable by the valid judgment or decree of a court of competent jurisdiction, such unconstitutionality, invalidity or un-enforceability shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this CONTRACT.

8.3. INFORMATION IN DRAWINGS AND SPECIFICATIONS

Anything mentioned in the Specifications and not shown on the Drawings, or shown on the Drawings and not mentioned in the Specifications, shall be of like effect as if shown or mentioned in both. In case of difference between Drawings and Specifications, the Specifications shall govern. In case of discrepancy within the Drawings, or within the Specifications, the matter shall be promptly submitted to the COMMISSION'S Contracting Officer, who shall promptly make a determination in writing. Any adjustment by the CONTRACTOR without such a determination by the COMMISSION'S Contracting Officer shall be at its own risk and expense. The COMMISSION'S Contracting Officer shall furnish from time to time such detailed drawings and other information as considered necessary, unless otherwise provided.

8.4. SITE ACCESS

The PROPERTY OWNER through the executed Owner's Participation Agreement has agreed to allow the COMMISSION's staff, its consultants, project managers, agents, or other designees to enter the owner's property for the purposes of conducting surveys to determine appropriate revitalization methods for the owner's property, and to conduct pre- and post-construction condition surveys. The PROPERTY OWNER further agreed to provide access throughout the period of construction and for reasonable periods thereafter to inspect the condition of the Work and to allow the COMMISSION staff, its consultants, CONTRACTORS, project managers, agents, or other designees and Subcontractors' access to the residential structure(s) located on the PROPERTY OWNER'S property between the hours of 7:00 a.m. and 5:00 p.m. on Monday through Friday or at any time upon twenty-four (24) hour notice being given by the COMMISSION or the COMMISSION's CONTRACTORS to the PROPERTY OWNER. The CONTRACTOR will make every attempt to keep the PROPERTY OWNER informed about the overall project schedule so that disruption in the PROPERTY OWNER's routines will be kept to a minimum. The CONTRACTOR agrees to contact the PROPERTY OWNER twenty-four (24) hours in advance to set up appointments necessary to complete the Work.

ARTICLE 9 - CONTRACTOR APPROVAL

9.1. CONTRACTOR'S WARRANTY OF ADHERENCE TO COMMISSION'S CHILD SUPPORT COMPLIANCE PROGRAM

The CONTRACTOR acknowledges that the COMMISSION, has established a goal of ensuring that all individuals who benefit financially from County or COMMISSION through contracts are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County of Los Angeles and its taxpayers.

As required by the COMMISSION's Child Support Compliance Program and without limiting CONTRACTOR's duty under this CONTRACT to comply with all applicable provisions of law, CONTRACTOR warrants that it is now in compliance and shall during the term of this CONTRACT maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or District Attorney Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

9.2. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COMMISSION'S CHILD SUPPORT COMPLIANCE PROGRAM

Failure of CONTRACTOR to maintain compliance with the requirements set forth in Paragraph 9.1, "CONTRACTOR's Warranty of Adherence to Commission's Child Support Compliance Program" shall constitute a default by CONTRACTOR under this CONTRACT. Without limiting the rights and remedies available to the COMMISSION under any other provision of this CONTRACT, failure to cure such default within ninety (90) days of notice shall be grounds upon which the COMMISSION may terminate this CONTRACT pursuant to Paragraph 7.3, "Termination for Cause," and pursue debarment of the CONTRACTOR, pursuant to COMMISSION Policy.

9.3. POST MOST WANTED PARENTS LIST

CONTRACTOR acknowledges that the COMMISSION places a high priority on the enforcement of child support laws and the apprehension of child support evaders. The CONTRACTOR understands that it is COMMISSION's policy to strongly encourage COMMISSION CONTRACTORS to voluntarily post an entitled "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at CONTRACTOR's place of business. The Child Support Services Department will supply the CONTRACTOR with the poster to be used.

ARTICLE 10 - ADDITIONAL PROVISIONS

10.1. LAWS OF CALIFORNIA

This CONTRACT and the obligations of the parties hereunder shall be interpreted, construed and enforced in accordance with the laws of the State of California.

10.2. EMPLOYEES OF CONTRACTOR

Workers' Compensation: CONTRACTOR understands and agrees that all persons furnishing services to the COMMISSION pursuant to this CONTRACT are, for the purposes of workers' compensation liability, employees solely of CONTRACTOR. The CONTRACTOR shall bear sole responsibility and liability for providing workers' compensation benefits to any person for injury arising from an accident connected with services provided to the COMMISSION under this CONTRACT.

Professional Conduct: The COMMISSION does not and will not condone any act, gestures, comments or conduct from the CONTRACTOR's employees, agents or Subcontractors which may be construed as sexual harassment or any other type of activity or behavior that might be construed as harassment. The COMMISSION will properly investigate all charges of harassment by residents, employees or agents of the COMMISSION against any and all CONTRACTOR's employees, agents or Subcontractors providing services for the COMMISSION. The CONTRACTOR assumes all liability for the actions of the CONTRACTOR's employees, agents or Subcontractors and is responsible for taking appropriate action after reports of harassment are received by the CONTRACTOR.

10.3. INSURANCE

When CONTRACTOR, or any entity with which CONTRACTOR contracts, is naming the Commission as an additional insured on the general liability insurance policy set forth below, then the additional insured endorsement shall contain language similar to the language contained in ISO form CG 20 10 11 85. In addition, the CONTRACTOR must also state on the endorsement that coverage includes Completed Operations and is on a primary and non-contributory basis. In the alternative and in Commission's sole and absolute discretion, it may accept both CG 20 10 10 01 and CG 20 37 10 01 in place of CG 20 10 11 85. The following insurance policies shall be maintained by CONTRACTOR and any entity with which CONTRACTOR contracts for the duration of this Contract, unless otherwise set forth herein:

The CONTRACTOR shall procure and maintain insurance at CONTRACTOR's expense for the duration of this CONTRACT from an insurance company that is admitted to write insurance in California or that has a rating of or equivalent to A: VIII by A. M. Best & Company. Any deviation from this rule shall require specific approval by the COMMISSION:

10.3.1 GENERAL LIABILITY INSURANCE (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:

General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$2,000,000
Personal and Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000

This insurance shall include, or separate insurance shall be secured, with a minimum limit of One Million Dollars (\$1,000,000) to cover the defense of and liability for bodily injury, disease or illness including death, or property damage arising in whole or in part out of the removal, repair, handling, or disposal of asbestos and/or lead containing materials.

10.3.2 WORKERS' COMPENSATION and EMPLOYER'S LIABILITY insurance providing workers' compensation benefits, as required by the Labor Code of the State of California. In all cases, the above insurance shall include Employer's Liability coverage with limits of not less than the following:

Each Accident	\$1,000,000
Disease-Policy Limit	\$1,000,000
Disease-Each Employee	\$1,000,000

CONTRACTOR must provide a waiver of subrogations with evidence of Worker's Compensation coverage.

10.3.3 AUTOMOBILE LIABILITY INSURANCE (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than One Million Dollars (\$1,000,000) for each incident. Such insurance shall include coverage of all "owned", "hired", and "non-owned" vehicles, or coverage for "any auto."

The individual Property Owners, the COMMISSION of the County of Los Angeles, the Housing Authority of the County of Los Angeles (Housing Authority), and the County of Los Angeles (County), and their officers, employees, agents and representatives shall be named as additional insured.

Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, or canceled by either party or reduced in coverage or limits, except after thirty (30) days prior written notice to the COMMISSION, and shall be primary and not contributing to any other insurance or self-insurance maintained by the COMMISSION.

The COMMISSION must separately approve any self-insurance program of self-insured retention in writing.

The CONTRACTOR shall deliver to the COMMISSION certificates of insurance and original endorsements for approval as to sufficiency and form prior to the start of performance hereunder. A person authorized by that insurer to bind coverage on its behalf shall sign the certificates and endorsements for each

insurance policy. Such insurance as required herein shall not be deemed to limit CONTRACTOR's liability under this CONTRACT.

Failure of the CONTRACTOR to procure or maintain required insurance herein shall constitute a material breach of CONTRACT upon which the COMMISSION may immediately terminate this CONTRACT.

The COMMISSION reserves the right to require complete certified copies of all said policies at any time. Any modification or waiver of the insurance requirements herein shall only be made with the written approval of the COMMISSION's Risk Manager or designee.

10.3.4 CRIME/FIDELITY INSURANCE, including coverage against loss of money, securities, inventory or other property. This insurance shall provide coverage for alleged employee dishonesty, embezzlement, forgery, robbery, safe burglary, computer fraud, wire transfer fraud, counterfeiting, and other criminal acts with limits in amounts not less than indicated below:

Employee Theft Coverage	\$1,000,000
Forgery Coverage	\$1,000,000
Client Coverage	\$1,000,000

10.3.5 POLLUTION LIABILITY INSURANCE including coverage for bodily injury, property damages, and environmental damage with limits of not less than the following:

General Aggregate	\$ 1,000,000
Completed Operations	\$ 1,000,000
Each Occurrence	\$ 500,000

Said policy shall also include, but not be limited to: coverage for any and all remediation costs, including, but not limited to, restoration costs, and coverage for the removal, repair, handling, and disposal of asbestos and/or lead containing materials. The Public Agencies and their Agents shall be covered as additional insureds on the pollution liability insurance policy. If the general liability insurance policy and/or the pollution liability insurance policy is written on a claims-made form, then said policy or policies shall also comply with all of the following requirements:

- (i) The retroactive date must be shown on the policy and must be before the date of this Contract or the beginning of the Work;
- (ii) Insurance must be maintained and evidence of insurance must be provided for the duration of this Contract or for five (5) years after completion of the Work, whichever is greater;
- (iii) If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the effective date of this Contract, then the CONTRACTOR must purchase an extended period coverage for a minimum of five (5) years after completion of Work;

(iv) A copy of the claims reporting requirements must be submitted to the Housing Authority for review; and

(v) If the Work involves lead based paint or asbestos identification/remediation, then the CONTRACTORs Pollution Liability shall not contain any lead-based paint or asbestos exclusions.

CONTRACTOR agrees that it will require that all of the above mentioned insurance requirements be incorporated in its contract with any entity with which it contracts in relation to this Contract or in relation to the Work, Property or project that is the subject of this Contract.

10.3.6. SUBCONTRACTOR'S INSURANCE. CONTRACTOR shall require all Subcontractors to carry the same amount of insurance as requested by CONTRACTOR pursuant to this Contract, unless otherwise agreed to in writing by the COMMISSION.

10.4 INDEMNIFICATION

The CONTRACTOR shall indemnify, defend and hold harmless the PROPERTY OWNER, the COMMISSION, the Housing Authority of the County of Los Angeles, and the County of Los Angeles, their elected and appointed officers, employees, and agents for any suit, cost, award, judgment, attorney's fees claim, administrative proceeding, damage, fine penalty or liability arising out of or relation to the failure to comply with prevailing wage requirements applicable to the Work.

Following completion of the Work and final inspection by the COMMISSION, the Work will remain under warranty from the CONTRACTOR to the PROPERTY OWNER for a period of one (1) year, after which time the Work will be the sole responsibility of the PROPERTY OWNER. PROPERTY OWNER recognizes that if a defect is detected within any applicable warranty period, such defect shall be communicated to the CONTRACTOR and to the COMMISSION as soon as practicable. PROPERTY OWNER agrees that only the CONTRACTOR shall be responsible to correct defective Work. All manufacturer's warranties and guarantees will be provided to the PROPERTY OWNER, and if any materials have a warranty extending beyond one (1) year, then PROPERTY OWNER shall be entitled to such warranty as is applicable.

The CONTRACTOR shall indemnify, defend, and hold harmless the COMMISSION, the Housing Authority of the County of Los Angeles and the County of Los Angeles, their elected and appointed officers, employees, and agents from any and all liability for any actions taken in connection with hazardous materials or substances or from any occurrence relating to relocation during abatement of hazardous materials or substances presently on the Property or discovered on the Property during the course of the Work.

The CONTRACTOR shall indemnify, defend, and hold harmless the COMMISSION, the Housing Authority of the County of Los Angeles, and the County of Los Angeles, their elected and appointed officers, employees and agents from any and all claims, liabilities, damages and losses arising from Work performed by CONTRACTOR, including work performed by any and all Subcontractors, material-men, laborers and

any other person, firm or corporation furnishing or supplying work, services, materials, or supplies in connection with the Work under this CONTRACT and arising from the condition of the Property existing on the date of commencement of the Work, and from any claims, liabilities, damages, and losses for workers' compensation arising from the performance of the work under this CONTRACT by the CONTRACTOR or any Subcontractor. It is understood that the employees of the CONTRACTOR are not agents or employees of the COMMISSION, Housing Authority or the County.

The CONTRACTOR agrees to indemnify, defend and hold harmless the COMMISSION, the Housing Authority of the County of Los Angeles, the County of Los Angeles, their elected and appointed officers, employees, and agents from and against any and all liability or expense, including defense costs and legal fees, claims for damages of any nature whatsoever including, but not limited to bodily injury, death, personal injury or property damage arising from or connected with the CONTRACTOR's services, including but not limited to any Worker's Compensation suits, liability or expenses arising or connected with services rendered pursuant to this CONTRACT.

The CONTRACTOR agrees to indemnify, defend and hold harmless the COMMISSION, the Housing Authority of the County of Los Angeles, the County of Los Angeles, their elected and appointed officers, employees, and agents from any and all claims, liabilities, damages and losses arising from any unauthorized modifications or destruction to the Work by CONTRACTOR and/or any agents of CONTRACTOR.

10.5 COMPLIANCE WITH LAWS

The CONTRACTOR agrees to be bound by all applicable federal, state and local laws, regulations, and directives as they pertain to the performance of this CONTRACT, including but not limited to, the Housing and Community Development Act of 1974, as amended by the Cranston-Gonzalez National Affordable Housing Act, 1990, and the 24 CFR Part 85, and the Americans with Disabilities Act of 1990. If the compensation under this CONTRACT is in excess of \$100,000 then CONTRACTOR shall comply with applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 18579h), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency Regulations (40 CFR part 15).

The CONTRACTOR must obtain and present all relevant state and local insurance, training and licensing pursuant to services required within this CONTRACT.

The CONTRACTOR shall comply with the following laws in Sections 10.6–10.13, inclusive, 10.21-10.22, inclusive and 10.29-10.31, inclusive.

The CONTRACTOR must obtain and present all relevant state and local insurance, training and licensing pursuant to services required within this CONTRACT.

- 10.6. NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT**
CONTRACTOR shall notify its employees, and shall require each Subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

10.7. CONTRACT WORKHOURS AND SAFETY STANDARDS ACT REQUIREMENTS

1. Overtime Requirements.

No CONTRACTOR or Subcontractor contracting for any part of the Contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic, including watchmen and guards, in any workweek in which he or she is employed on such work to work in excess of forty (40) hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one (1) and one-half (1/2) times the basic rate of pay for all hours worked in excess of forty (40) hours in such workweek.

2. Violation; Liability for Unpaid Wages; Liquidated Damages.

In the event of any violation of the clause set forth in paragraph one (1) above, the CONTRACTOR and any Subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such CONTRACTOR and Subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph 1, above, in the sum of ten (\$10) dollars for each calendar day on which such individual was required or permitted to work in excess of the standard workweek.

3. Withholding for Unpaid Wages and Liquidated Damages.

The FAA or the Commission shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any monies payable on account of work performed by the CONTRACTOR, or any other Federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime CONTRACTOR, such sums as may be determined to be necessary to satisfy any liabilities of such CONTRACTOR or Subcontractor for unpaid wages and liquidated damages in the clauses set forth in paragraph 2 above.

4. Subcontractors.

The Contractor or Subcontractor shall insert in any subcontracts the clauses set forth in paragraphs 1 through 4 and also a clause requiring the Subcontractor to include these clauses in any lower tier subcontracts. The prime CONTRACTOR shall be responsible for compliance by any Subcontractors or lower tier Subcontractor with the clauses set forth in paragraphs 1 through 4 of this section.

10.8. CIVIL RIGHTS ACT OF 1964, TITLE VI (NON-DISCRIMINATION IN FEDERALLY ASSISTED PROGRAMS)

Title VI provides that no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

10.8.1 TITLE VI , COMPLIANCE WITH NON-DISCRIMINATION REQUIREMENTS

During the performance of this Contract, the CONTRACTOR, for itself, its assignees, and successors in interest (hereinafter referred to as the "CONTRACTOR") agrees as follows:

1. Compliance with Regulations: The CONTRACTOR (hereinafter includes consultants) will comply with the Title VI List of Pertinent Non-discrimination Statutes and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this Contract.
2. Non-discrimination: The CONTRACTOR, with regard to the work performed by it during the Contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of Subcontractors, including procurements of materials and leases of equipment. The CONTRACTOR will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the Contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.
3. Solicitations for Subcontractors, including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding, or negotiation made by the CONTRACTOR for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential Subcontractor or supplier will be notified by the CONTRACTOR of the CONTRACTOR's obligations under this Contract and the Acts and the Regulations relative to non-discrimination on the grounds of race, color, or national origin.
4. Information and Reports: The CONTRACTOR will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the Commission or the FAA to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of a CONTRACTOR is in the exclusive possession of another who fails or refuses to furnish the information, the CONTRACTOR will so certify to the Commission and FAA, as appropriate, and will set forth what efforts it has made to obtain the information.
5. Sanctions for Non-compliance: In the event of a CONTRACTOR's non-compliance with the Non-discrimination provisions of the Contract, the Commission will impose such Contract sanctions as it or the FAA may determine to be appropriate, including, but not limited to:
 - a. Withholding payments to the CONTRACTOR under the Contract until the CONTRACTOR complies; and/or
 - b. Cancelling, terminating, or suspending a contract, in whole or in part.
6. Incorporation of Provisions: The CONTRACTOR will include the provisions of paragraphs one (1) through four (4) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The CONTRACTOR will take action with respect to any subcontract or procurement as the sponsor of the FAA may direct as a means of enforcing such provisions including sanctions for non-compliance. Provided, that if the CONTRACTOR becomes involved in, or is threatened with litigation by a Subcontractor, or supplier because of such direction, the CONTRACTOR may request the Commission to enter into any litigation to protect the interests of the Commission. In addition, the CONTRACTOR may request the United States to enter into the litigation to protect the interests of the United States.

10.8.2 TITLE VI LIST OF PERTINENT NON-DISCRIMINATION AUTHORITIES

During the performance of this Contract, the CONTRACTOR, for itself, its assignees, and successors in interest (hereinafter referred to as the "CONTRACTOR") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat.252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination in Federally-Assisted Programs of the Department of Transportation – Effectuation of Title VI of the City Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-200), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and CONTRACTORS, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;
- The FAA's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;

- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency (LEP), and resulting agency guidance, national origin discrimination includes discrimination because of LEP. To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits from discriminating because of sex in education programs or activities (20 U.S.C. 1681 *et seq.*).

10.8.3 GENERAL CIVIL RIGHTS PROVISIONS

The CONTRACTOR agrees that it will comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance.

This provision binds the CONTRACTOR from the bid solicitation period through the completion of the Contract. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

This provision also obligates the tenant/concessionaire/lessee or its transferee for the period during which Federal assistance is extended to the airport through the Airport Improvement Program, except where Federal assistance is to provide, or is in the form of personal property; real property or interest therein; structures or improvements thereon.

In these cases the provision obligates the party or any transferee for the longer of the following periods:

- a. The period during which the property is used by the airport sponsor or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits; or
- b. The period during which the airport sponsor or any transferee retains ownership or possession of the property.

10.9. SECTION 109 OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974

No person in the United States shall on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

10.10. AGE DISCRIMINATION ACT OF 1975 AND SECTION 504 OF THE REHABILITATION ACT OF 1973

No person in the United States shall be excluded from participating in, be denied the benefits of, or be subjected to discrimination under this CONTRACT on the basis of age or with respect to an otherwise qualified handicapped individual.

10.11. EXECUTIVE ORDER 11246 AND 11375, EQUAL OPPORTUNITY IN EMPLOYMENT (NO DISCRIMINATION IN EMPLOYMENT BY GOVERNMENT CONTRACTORS, SUBCONTRACTORS, AND CONTRACTORS)

During the performance of this CONTRACT, the CONTRACTOR will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The CONTRACTOR will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination/rates of pay or other forms of compensation; and selection for training, including apprenticeship. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause. The CONTRACTOR will, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The CONTRACTOR will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided to the agency contracting officer, advising the labor union or workers' representatives of the CONTRACTOR's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The CONTRACTOR will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulation and relevant orders of the Secretary of Labor.

The CONTRACTOR will furnish all information and reports required by the Executive Order No. 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

In the event of the CONTRACTOR's noncompliance with the nondiscrimination clauses of the CONTRACT or with any of such rules, regulations or orders, this CONTRACT may be canceled, terminated or suspended in whole or in part and the CONTRACTOR may be declared ineligible for further Government contracts in accordance with procedures authorized in the Executive Order and such other sanctions may be imposed and remedies invoked as provided in the Executive Order or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

The CONTRACTOR will include the provisions of these paragraphs in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of the Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each Subcontractor or vendor. The CONTRACTOR will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance; provided however, that in the event the CONTRACTOR becomes involved in, or is threatened with litigation with a Subcontractor or vendor as result of such direction by the contracting agency, the

CONTRACTOR may request the United States to enter into such litigation to protect the interests of the United States.

10.12. CONSIDERATION FOR GAIN/GROW PARTICIPANTS FOR EMPLOYMENT

Should the contractor require additional or replacement personnel after the effective date of this agreement,, the contractor shall give consideration for any such employment openings to participants in the county's department of public social services' greater avenues for independence (GAIN) program or general relief opportunity for work (GROW) program who meet the contractor's minimum qualifications for the open position. The contractor shall contact the county's gain/grow division at (626) 927-5354 for a list of gain/grow participants by job category.

10.13. PREVAILING WAGE REQUIREMENTS

This construction project is funded in whole with public funds. The CONTRACTOR shall be responsible for complying with all labor requirements of the State of California prevailing wage laws, regulations, codes, etc. which are applicable to this contract. They include, but are not limited to, the following: California Labor Code Section 1770 et seq., which requires CONTRACTORS to pay their workers based on the prevailing wage rates established and issued by the Department of Industrial Relations (DIR), Division of Labor Statistics. The **State Residential Prevailing Wage Rates** assigned to this project at the time of bidding is applicable to this contract (**issue date 12/1/2013**). A copy of the applicable residential wage rates with the project name will be provided. These rates must be paid to all employees working at the project site(s) throughout the duration of the project. In the absence of a State Residential Prevailing Wage Determination, please refer to the Directors General Prevailing Determination (**LOS2013-2**) at the Department of Industrial Relations website www.dir.ca.gov

10.14. LOBBYIST ORDINANCES

Federal Lobbyist Requirements: The CONTRACTOR is prohibited by the Department of Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and HUD's 24 CFR Part 87, from using federally appropriated funds for the purpose of influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, loan or cooperative agreement, and any extension, continuation, renewal, amendment or modification of said documents.

The CONTRACTOR must certify in writing on the Federal Lobbyist Requirements Certification form that it is familiar with the Federal Lobbyist Requirements and that all persons and /or Subcontractors acting on behalf of the CONTRACTOR will comply with the Lobbyist Requirements.

Failure on the part of the CONTRACTOR or persons/ Subcontractors acting on behalf of the CONTRACTOR to fully comply with the Federal Lobbyist Requirements shall be subject to civil penalties.

10.15. LOBBYING AND INFLUENCING FEDERAL EMPLOYEES

The bidder or offeror certifies by signing and submitting this bid or proposal to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid, by or on behalf of the bidder or offeror, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress,

or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal Contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

This certification is a material representative of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each failure.

10.16. OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970

All contracts and subcontracts that result from this solicitation incorporate the following provisions by reference, with the same force and effect as if given in full text. The CONTRACTOR has full responsibility to monitor compliance to the referenced statute or regulation. The CONTRACTOR must address any claims or disputes that pertain to a referenced requirement directly with the Federal Agency with enforcement responsibilities.

Requirement	Federal Agency with Enforcement Responsibilities
Occupational Safety and Health Act of 1970 (20 CFR Part 1910)	U.S. Department of Labor – Occupational Safety and Health Administration

10.17. NOTICE OF NONSEGREGATED FACILITIES REQUIREMENT

Notice to Prospective Federally Assisted Construction CONTRACTORS

1. A Certification of Non-segregated Facilities shall be submitted prior to the award of a federally-assisted construction contract exceeding \$10,000 which is not exempt from the provisions of the Equal Opportunity Clause.
2. CONTRACTORS receiving federally-assisted construction contract awards exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity Clause will be required to provide for the forwarding of the following notice to prospective Subcontractors for supplies and construction contracts where the subcontracts exceed \$10,000 and are not exempt from the provisions of the Equal Opportunity Clause.

3. The penalty for making false statements in offers is prescribed in 18 U.S.C. § 1001.

Notice to Prospective Subcontractors of Requirements for Certification of Non-Segregated Facilities

1. A Certification of Non-segregated Facilities shall be submitted prior to the award of a subcontract exceeding \$10,000, which is not exempt from the provisions of the Equal Opportunity Clause.

10.18. VETERAN'S PREFERENCE

In the employment of labor (except in executive, administrative, and supervisory positions), preference must be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in Title 49 United States Code, Section 47112. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

10.19. ACCESS AND RETENTION OF RECORDS

Access will be provided to the COMMISSION, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers and records of the CONTRACTOR which are directly pertinent to the specific contract for the purpose of making audit, examination, excerpts and transcriptions. The CONTRACTOR is required to retain the aforementioned records for a period of five (5) years after the Project is completed and accepted by the COMMISSION and other pending matters are closed.

The CONTRACTOR shall provide access to the COMMISSION, the Federal Grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers and records of the CONTRACTOR which are directly pertinent to this CONTRACT for the purpose of making audits, examinations, excerpts and transcriptions.

The CONTRACTOR is required to retain the aforementioned records for a period of five (5) years after the COMMISSION pays final payment and other pending matters are closed under this CONTRACT.

10.20. ACCESS TO RECORDS AND REPORTS

The CONTRACTOR must maintain an acceptable cost accounting system. The CONTRACTOR agrees to provide the COMMISSION, the FAA, and the Comptroller General of the United States or any of their duly authorized representative's access to any books, documents, papers, and records of the CONTRACTOR which are directly pertinent to the specific Contract for the purpose of making audit, examination, excerpts and transcriptions. The CONTRACTOR agrees to maintain all books, records and reports required under this contract for a period of not less than three (3) years after final payment is made and all pending matters are closed.

10.21. CONFLICT OF INTEREST

The CONTRACTOR represents, warrants and agrees that to the best of its knowledge, it does not presently have, nor will it acquire during the term of this CONTRACT, any interest direct or indirect, by contract, employment or otherwise, or as a partner, joint venturer or shareholder (other than as a shareholder holding a one percent (1%) or less interest in publicly traded companies) or affiliate with any business or business entity that has entered into any contract, subcontract or arrangement with the COMMISSION.

Upon execution of this CONTRACT and during its term, as appropriate, the CONTRACTOR shall upon written request, disclose in writing to the COMMISSION, any other contractual or employment during the term of this CONTRACT by any other persons, business or corporation in which employment will or may likely develop a conflict of interest between the COMMISSION's interest and the interests of the third parties.

10.22. SUBCONTRACTING

The CONTRACTOR may subcontract only those specific portions of the work allowed in the original specifications covered by this CONTRACT with prior written approval by the COMMISSION, which the COMMISSION, at its sole and absolute discretion, may withhold.

The CONTRACTOR shall not subcontract any portion of work covered by this CONTRACT or permit subcontracted work to be further subcontracted without prior written approval by the COMMISSION, which the COMMISSION, at its sole and absolute discretion, may withhold.

10.23. ASSIGNMENT

This CONTRACT or any provision there of or any right or obligation arising hereunder, may not be assigned by the CONTRACTOR except with prior written consent of the Executive Director of the COMMISSION, or his designee, which consent at the COMMISSION's sole and absolute discretion may be withheld. However, the COMMISSION reserves the right to assign this CONTRACT another public agency without the consent of the CONTRACTOR.

10.24. CONFIDENTIALITY OF REPORTS

The CONTRACTOR shall keep confidential all reports, information and data received, prepared or assembled pursuant to performance hereunder. Such information shall not be made available to any person, firm, corporation or entity without the prior written consent of the COMMISSION.

10.25. SEVERABILITY

In the event that any provision herein contained is held to be invalid, void or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of the CONTRACT and shall in no way affect, impair or invalidate any other provision contained herein. If any such provision shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

10.26. SAFETY STANDARDS AND ACCIDENT PREVENTION

The CONTRACTOR, at its sole cost and expense, shall comply with all applicable Federal, state and local laws governing safety, health and sanitation for work of the type set forth in this CONTRACT. The CONTRACTOR shall provide all safeguards, safety devices and protective equipment and take any other needed actions, reasonably necessary to protect the life and health of employees on the job, the general public, and to protect property in connection with the performance of this CONTRACT.

10.27. DRUG FREE WORKPLACE ACT OF THE STATE OF CALIFORNIA

The CONTRACTOR certifies under penalty of perjury under the laws of the State of California that the CONTRACTOR will comply with the requirements of the Drug-Free Workplace Act of 1990.

10.28. USE OF RECYCLED-CONTENT PAPER PRODUCTS

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the CONTRACTOR agrees to use recycled-content paper to the maximum extent possible on the Project.

10.29. CLEAN AIR AND WATER POLLUTION CONTROL

The CONTRACTOR and Subcontractors agree:

1. That any facility to be used in the performance of the contract or subcontract or to benefit from the contract is not listed on the Environmental Protection Agency (EPA) List of Violating Facilities;
2. To comply with all the requirements of Section 114 of the Clean Air Act, as amended, 42 U.S.C. 1857 et seq. and Section 308 of the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq. relating to inspection, monitoring, entry, reports, and information, as well as all other requirements specified in Section 114 and Section 308 of the Acts, respectively, and all other regulations and guidelines issued thereunder;
3. That, as a condition for the award of this contract, the CONTRACTOR or Subcontractor will notify the awarding official of the receipt of any communication from the EPA indicating that a facility to be used for the performance of or benefit from the contract is under consideration to be listed on the EPA List of Violating Facilities;
4. To include or cause to be included in any construction contract or subcontract which exceeds \$100,000 the aforementioned criteria and requirements.

10.30. COPYRIGHT

No reports, maps, designs, or other documents produced in whole or in part under this CONTRACT shall be the subject of an application for copyright by or on behalf of the CONTRACTOR. All documents become the property of the COMMISSION and the COMMISSION holds all the rights to said data. The CONTRACTOR acknowledges and represents that all reports, maps, designs, and other documents produced pursuant to this CONTRACT shall be owned by the COMMISSION and the CONTRACTOR shall have no copyrights, patents, trademarks, or any other intellectual property rights in such work. All work rendered under this CONTRACT shall be a "Work for Hire" as defined by the United States Copyright Office.

10.31. RIGHTS TO INVENTIONS

All rights to inventions and materials generated under this contract are subject to requirements and regulations issued by the FAA and the Sponsor of the Federal grant under which this contract is executed

10.32. TRADE RESTRICTION

The CONTRACTOR or Subcontractor, by submission of an offer/or execution of a contract, certifies that it:

1. Is not owned or controlled by one or more citizens of a foreign country included in the list of countries that discriminate against U.S. firms published by the Office of the United States Trade Representative (USTR);

2. Has not knowingly entered into any contract or subcontract for this project with a person that is a citizen or national of a foreign country on said list, or is owned or controlled directly or indirectly by one or more citizens or nationals of a foreign country on said list;
3. Has not procured any product nor subcontracted for the supply of any product for use on the project that is produced in a foreign country on said list;

Unless the restrictions of this clause are waived by the Secretary of Transportation in accordance with 49 CFR 30.17, no contract shall be awarded to a CONTRACTOR or Subcontractor who is unable to certify to the above. If the CONTRACTOR knowingly procures or subcontracts for the supply of any product or service of a foreign country on said list for use on the project, the FAA may direct through the Commission cancellation of the Contract at no cost to the Government.

Further, the CONTRACTOR agrees that, if awarded a contract resulting from this solicitation, it will incorporate this provision for certification without modification in each contract and in all lower tier subcontracts. The CONTRACTOR may rely on the certification of a prospective Subcontractor unless it has knowledge that the certification is erroneous.

The CONTRACTOR shall provide immediate written notice to the Commission if the CONTRACTOR learns that its certification or that of a Subcontractor was erroneous when submitted or has become erroneous by reason of changed circumstances. The Subcontractor agrees to provide written notice to the CONTRACTOR if at any time it learns that its certification was erroneous by reason of changed circumstances.

This certification is a material representation of a fact upon which reliance was placed when making the award. If it is later determined that the CONTRACTOR or Subcontractor knowingly rendered an erroneous certification, FAA may direct through the Commission cancellation of the Contract or subcontract for default at no cost to the Government.

Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by this provision. The knowledge and information of a CONTRACTOR is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

This certification concerns a matter within the jurisdiction of an agency of the United States of America and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.

10.33. INDEPENDENT CONTRACTOR

The CONTRACTOR shall perform the services as contained herein as an independent CONTRACTOR and shall not be considered an employee of the COMMISSION, or under COMMISSION supervision or control. This CONTRACT is by and between the CONTRACTOR and the COMMISSION, and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association between the COMMISSION and the CONTRACTOR.

10.34. WAIVER

No breach of any provision hereof can be waived unless in writing and signed by all parties. No consent or waiver, expressed or implied, by either party to or of any breach or default by the other of its obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance of such other party hereunder. Failure on the part of either party to complain of any such act of the other party or to declare the other party in default, irrespective of how long such failure continues, shall not constitute a waiver by such party of its rights hereunder.

10.35. BUY AMERICAN CERTIFICATION

The CONTRACTOR agrees to comply with 49 USC § 50101, which provides that Federal funds may not be obligated unless all steel and manufactured goods used in AIP-funded projects are produced in the United States, unless the FAA has issued a waiver for the product; the product is listed as an Excepted Article, Material or Supply in Federal Acquisition Regulation subpart 25.108; or is included in the FAA Nationwide Buy American Waivers Issued list (see Exhibit B).

A CONTRACTOR must submit the appropriate Buy American certification with all documents on AIP funded projects. Submittals that are not accompanied by a completed Buy American certification must be rejected.

10.36. NOTICE OF REQUIREMENT FOR AFFIRMATIVE ACTION

1. The Offerors or Bidders attention is called to the "Equal Opportunity Clause" and the Standard Federal Equal Employment Opportunity Construction Contract Specifications" set forth herein.
2. The goals and timetables for minority and female participation, expressed in percentage terms for the CONTRACTOR's aggregate workforce in each trade on all construction work in the covered area, are as follows:
3. Timetables.
4. Goals for minority participation for each trade (Vol. 45 Federal Register pg. 65984 10/3/80).
5. Goals for female participation in each trade (6.9%).

These goals are applicable to all of the CONTRACTOR's construction work (whether or not it is Federal or federally-assisted) performed in the covered area. If the CONTRACTOR performs construction work in a geographical area located outside of the covered area, it shall apply the goals established for such geographical area where the work is actually performed. With regard to this second area, the CONTRACTOR is also subject to the goals for both federally funded and non-federally funded construction regardless of the percentage of federal participation in funding.

The CONTRACTOR's compliance with the Executive Order and the regulations in 41 CFR Part 60-4 shall be based on its implementation of the Equal Opportunity Clause, specific affirmative action obligations required by the specifications set forth in 41 CFR 60-4.3(a), and its efforts to meet the goals. The hours of minority and female employment and training shall be substantially uniform throughout the length of the contract, and in each trade, and the CONTRACTOR shall make a good faith effort to employ minorities and women evenly on each of its projects. The transfer of minority or female employees or trainees from CONTRACTOR to CONTRACTOR or from project to project, for the sole purpose of meeting the CONTRACTOR's goals, shall be a violation

of the contract, the Executive Order, and the regulations in 41 CFR Part 60-4. Compliance with the goals will be measured against the total work hours performed.

10.37 NOTICES

COMMISSION shall provide CONTRACTOR with notice of any injury or damage arising from or connected with services rendered pursuant to this CONTRACT to the extent that COMMISSION has actual knowledge of such injury or damage. COMMISSION shall provide such notice within ten (10) days of receiving actual knowledge of such injury or damage.

All notices given under this CONTRACT shall be in writing and shall be given by facsimile, certified mail (return receipt requested), or overnight guaranteed delivery service and addressed or faxed as follows:

The COMMISSION: Cordé D. Carrillo, Director
Economic and Housing Development Division
Community Development Commission
700 W. Main Street
Alhambra CA 91801
Fax No.: (626) 943-3818

The CONTRACTOR: _____

Notices shall be effective upon receipt, if faxed, provided there is written confirmation of receipt (except that if delivered after 5 p.m., notice shall be deemed received on the next business day); the earlier of (i) three business days after deposit with United States Mail, or (ii) the date of actual receipt as evidence by the return receipt, if delivered by certified mail; or one (1) day after deposit with the delivery service, if delivered overnight guaranteed delivery service. Each party shall promptly notify the other party of any change(s) of address or fax to which notice shall be sent pursuant to this CONTRACT.

10.38 INTERPRETATION

No provision of this CONTRACT is to be interpreted for or against the parties because that party or that party's legal representative drafted such provision, but this CONTRACT is to be construed as if it were drafted by both parties hereto.

10.39 CONTRACTOR RESPONSIBILITY AND DEBARMENT

A responsible CONTRACTOR is a CONTRACTOR who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the policy of the COMMISSION to conduct business only with responsible CONTRACTORS.

A. The CONTRACTOR is hereby notified that if the COMMISSION acquires information concerning the performance of the CONTRACTOR on this or other contracts which indicates that the CONTRACTOR is not responsible, the COMMISSION may, in addition to other remedies provided in the CONTRACT, debar the CONTRACTOR from bidding on COMMISSION contracts for a specified period of time not to exceed

three (3) years, and terminate any or all existing contracts the CONTRACTOR may have with the COMMISSION.

- B. The COMMISSION may debar a CONTRACTOR if the Board of Commissioners finds, in its discretion, that the CONTRACTOR has done any of the following: (i) violated any term of a contract with the COMMISSION, (ii) committed any act or omission which negatively reflects on the CONTRACTOR's quality, fitness or capacity to perform a contract with the COMMISSION or any other public entity, or engaged in a pattern or practice which negatively reflects on same, (iii) committed an act or offense which indicates a lack of business integrity or business honesty, or (iv) made or submitted a false claim against the COMMISSION or any other public entity.
- C. If there is evidence that the CONTRACTOR may be subject to such debarment, the COMMISSION will notify the CONTRACTOR in writing of the evidence which is the basis for the proposed debarment and will advise the CONTRACTOR of the scheduled date for a debarment hearing before the CONTRACTOR Hearing Board.
- D. The CONTRACTOR Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The CONTRACTOR and/or the CONTRACTOR's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the CONTRACTOR Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether the CONTRACTOR should be debarred from bidding on COMMISSION contracts, and, if so, the appropriate length of time of the debarment. If the CONTRACTOR fails to avail itself of the opportunity to submit evidence to the CONTRACTOR Hearing Board, the CONTRACTOR may be deemed to have waived all rights of appeal.
- E. A record of the hearing, the proposed decision and any other recommendation of the CONTRACTOR Hearing Board shall be presented to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the CONTRACTOR Hearing Board.

These terms shall also apply to Subcontractors of the COMMISSION CONTRACTORS.

10.40. DEBARMENT AND SUSPENSION (NON-PROCUREMENT)

The successful bidder, by administering each lower tier subcontract that exceeds \$25,000 as a "covered transaction" as defined by Title 2 CFR Part 180, must verify each lower tier participant of a "covered transaction" under the project is not presently debarred or otherwise disqualified from participation in this federally assisted project. The successful bidder will accomplish this by:

1. Checking the System for Award Management at website: <http://www.sam.gov>
2. Collecting a certification statement similar to the Certificate Regarding Debarment and Suspension (Bidder or Offeror), above.
3. Inserting a clause or condition in the covered transaction with the lower tier contract.

If the FAA later determines that a lower tier participant failed to tell a higher tier that it was excluded or disqualified at the time it entered the covered transaction, the FAA may pursue any available remedy, including suspension and debarment.

10.41. DISADVANTAGED BUSINESS ENTERPRISE

Contract Assurance (§26.13) – The CONTRACTOR or Subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this Contract. The CONTRACTOR shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT assisted contracts. Failure by the CONTRACTOR to carry out these requirements is a material breach of this Contract, which may result in the termination of this Contract or such other remedy, as the recipient deems appropriate. Prompt Payment (§26.29) – The prime CONTRACTOR agrees to pay each Subcontractor under this prime Contract for satisfactory performance of its contract no later than thirty (30) calendar days from the receipt of each payment the prime CONTRACTOR receives from the Commission. The prime CONTRACTOR agrees further to return retainage payments to each Subcontractor within thirty (30) calendar days after the Subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the Commission. This clause applies to both DBE and non-DBE Subcontractors.

10.42. ENERGY CONSERVATION REQUIREMENTS

The CONTRACTOR agrees to comply with mandatory standards and policies relating to energy efficiency that are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Public Law 94-163).

10.43. COMPLIANCE WITH JURY SERVICE PROGRAM

- A. Unless CONTRACTOR has demonstrated to the COMMISSION's satisfaction either that CONTRACTOR is not a "CONTRACTOR" as defined under the Jury Service Program or that CONTRACTOR qualifies for an exception to the Jury Service Program, CONTRACTOR shall have and adhere to a written policy that provides that its Employees shall receive from the CONTRACTOR, on an annual basis, no less than five (5) days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the CONTRACTOR or that the CONTRACTOR deduct from the Employee's regular pay the fees received for jury service.
- B. For purposes of this Section, "CONTRACTOR" means a person, partnership, corporation or other entity which has a contract with the COMMISSION or a subcontract with a COMMISSION CONTRACTOR and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more COMMISSION contracts or subcontracts. "Employee" means any California resident who is a full-time employee of CONTRACTOR. "Full-time" means forty (40) hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the COMMISSION, or 2) CONTRACTOR has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of ninety (90) days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If CONTRACTOR uses any Subcontractor to perform services for the COMMISSION under the CONTRACT, the Subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

- C. If CONTRACTOR is not required to comply with the Jury Service Program when the CONTRACT commences, CONTRACTOR shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and CONTRACTOR shall immediately notify the COMMISSION if CONTRACTOR at any time either comes within the Jury Service Program's definition of "CONTRACTOR" or if CONTRACTOR no longer qualifies for an exception to the Program. In either event, CONTRACTOR shall immediately implement a written policy consistent with the Jury Service Program. The COMMISSION may also require, at any time during the CONTRACT and at its sole discretion, that CONTRACTOR demonstrate to the COMMISSION's satisfaction that CONTRACTOR either continues to remain outside of the Jury Service Program's definition of "CONTRACTOR" and/or that CONTRACTOR continues to qualify for an exception to the Program.
- D. CONTRACTOR's violation of this Section of the CONTRACT may constitute a material breach of the CONTRACT. In the event of such material breach, the COMMISSION may, in its sole discretion, terminate the CONTRACT and/or bar CONTRACTOR from the award of future COMMISSION contracts for a period of time consistent with the seriousness of the breach.

10.44. NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW

The CONTRACTOR shall notify and provide to its employees, and shall require each Subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is available on the Internet at www.babysafela.org for printing purposes.

10.45. CONTRACTOR'S ACKNOWLEDGEMENT OF COMMISSION'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW

The CONTRACTOR acknowledges that the COMMISSION places a high priority on the implementation of the Safely Surrendered Baby Law. The CONTRACTOR understands that it is the COMMISSION's policy to encourage all COMMISSION CONTRACTORS to voluntarily post the "Safely Surrendered Baby Law" poster in a prominent position at the CONTRACTOR's place of business. The CONTRACTOR will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractors place of business. The Department of Children and Family Services of the County of Los Angeles will supply the CONTRACTOR with the poster to be used.

10.46. CONTRACTOR'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM

The CONTRACTOR acknowledges that the COMMISSION has established a goal of ensuring that all individuals and businesses that benefit financially from the COMMISSION through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers. Unless the CONTRACTOR qualifies for an exemption or exclusion, the CONTRACTOR warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this Contract will maintain compliance, with the County's Defaulted Tax Program pursuant to Los Angeles County Code, Chapter 2.206.

10.47. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM

Failure of the CONTRACTOR to maintain compliance with the requirements set forth in Paragraph 10.32, "Contractors Warranty of Compliance with the County's Defaulted Property Tax Reduction Program" shall constitute default under this Contract. Without limiting the rights and remedies available to the COMMISSION under any other provision of this Contract, failure of the CONTRACTOR to cure such default within 10 days of notice shall be grounds upon which COMMISSION may terminate this contract and/or pursue debarment of the CONTRACTOR, pursuant to County's Defaulted Property Tax Reduction Program pursuant to Los Angeles County Code, Chapter 2.206.

10.48 ENTIRE CONTRACT

This CONTRACT with exhibits and attachments constitutes the entire understanding and agreement between the parties. No variations, modifications, or changes hereto shall be binding upon any party hereto unless set forth in a document duly executed by or on behalf of all parties. All prior negotiations, representations and/or contracts between the parties relative to the subject matters hereof shall be superseded hereby and have no further force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this CONTRACT through their duly authorized officers this _____ day of _____, 20_____.

**COMMUNITY DEVELOPMENT
COMMISSION
OF THE COUNTY OF LOS ANGELES**

CONTRACTOR

By: _____
SEAN ROGAN, Executive Director

By: _____

Title: _____

License #: _____

APPROVED AS TO FORM:
MARK D. SALADINO
COUNTY COUNSEL

By: _____
Deputy

APPROVED AS TO PROGRAM:

By: _____
CORDE D. CARRILLO, Director
Economic and Housing Development Division

Exhibit A

LIST OF PROPERTIES

[illegible]

Exhibit B
CERTIFICATE OF BUY AMERICAN COMPLIANCE FOR
TOTAL FACILITY

As a matter of bid responsiveness, the bidder or offeror must complete, sign, date and submit this certification statement with their proposal. The bidder or offeror must indicate how they intend to comply with 49 USC § 50101 by selecting one of the following certification statements. These statements are mutually exclusive. Bidder must select one or the other (i.e. not both) by inserting a check (√) or the letter "X".

- ☐ Bidder or offeror hereby certifies that it will comply with 49 USC 50101 by:
- a) Only installing steel and manufactured products produced in the United States; or
 - b) Installing manufactured products for which the FAA has issued a waiver as indicated by inclusion on the current FAA Nationwide Buy American Waivers Issued listing; or
 - c) Installing products listed as an Excepted Article, Material or Supply in Federal Acquisition Regulation Subpart 25.108.

By selecting this certification statement, the bidder or offeror agrees:

1. To provide to the Owner evidence that documents the source and origin of the steel and manufactured product.
2. To faithfully comply with providing U.S. domestic products.
3. To refrain from seeking a waiver request after establishment of the contract, unless extenuating circumstances emerge that the FAA determines justified.

- ☐ The bidder or offeror hereby certifies it cannot comply with the 100% Buy American Preference of 49 USC § 50101(a) but may qualify for either Type 3 or Type 4 waiver under 49 USC § 50101(b). By selecting this certification statement, the apparent bidder or offeror with the apparent low bid agrees:
1. To submit to the Owner within 15 calendar days of the bid opening, a formal waiver request and required documentation that support the type of waiver being requested.
 2. The failure to submit the required documentation within the specified timeframe is cause for a non-responsive determination may result in rejection of the proposal.
 3. To faithfully comply with providing US domestic products at or above the approved US domestic content percentage as approved by the FAA.
 4. To furnish US domestic product for any waiver request that the FAA rejects.
 5. To refrain from seeking a waiver request after establishment of the contract, unless extenuating circumstances emerge that the FAA determines justified.

Requested Documentation

Type 3 Waiver – The cost of components and subcomponents produced in the United States is more than 60% of the cost of all components and subcomponents of the "facility". The required documentation for a type 3 waiver is:

- a) Listing of all manufactured products that are not comprised of 100% US domestic content (Excludes products listed on the FAA Nationwide Buy American Waivers issued listing and products excluded by Federal Acquisition Regulation Subpart 25.108; listing and products of unknown origin must be considered as non-domestic products in their entirety)

- b) Cost of non-domestic components and subcomponents, excluding labor costs associated with final assembly and installation at project location.
- c) Percentage of non-domestic component and subcomponent cost as compared to total "facility" component and subcomponent costs, excluding labor costs associated with final assembly and installation at project location.

Type 4 Waiver – Total cost of project using US domestic source product exceeds the total project cost using non-domestic product by 25%. The required documentation for a type 4 of waiver is:

- a) Detailed cost information for total project using US domestic product
- b) Detailed cost information for total project using non-domestic product

False Statements: Per 49 USC § 47126, this certification concerns a matter within the jurisdiction of the FAA and the making of a false, fictitious or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code.

Date

Signature

Company Name

Title

Exhibit C

Form W-9 (Rev. December 2011) Department of the Treasury Internal Revenue Service	<h2 style="margin: 0;">Request for Taxpayer Identification Number and Certification</h2>	Give Form to the requester. Do not send to the IRS.
Name (as shown on your income tax return) _____		
Business name/disregarded entity name, if different from above _____		
Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <input type="checkbox"/> Other (see instructions) ▶ _____		<input type="checkbox"/> Exempt payee
Address (number, street, and apt. or suite no.) _____ City, state, and ZIP code _____		Requester's name and address (optional) _____
List account number(s) here (optional) _____		

Part I Taxpayer Identification Number (TIN)
 Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.
Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number	
<div style="border: 1px solid black; width: 40px; height: 20px; margin: 0 auto;"></div> <div style="border: 1px solid black; width: 40px; height: 20px; margin: 0 auto;"></div> <div style="border: 1px solid black; width: 40px; height: 20px; margin: 0 auto;"></div>	<div style="border: 1px solid black; width: 40px; height: 20px; margin: 0 auto;"></div> <div style="border: 1px solid black; width: 40px; height: 20px; margin: 0 auto;"></div> <div style="border: 1px solid black; width: 40px; height: 20px; margin: 0 auto;"></div>
Employer identification number	
<div style="border: 1px solid black; width: 40px; height: 20px; margin: 0 auto;"></div> <div style="border: 1px solid black; width: 40px; height: 20px; margin: 0 auto;"></div> <div style="border: 1px solid black; width: 40px; height: 20px; margin: 0 auto;"></div>	<div style="border: 1px solid black; width: 40px; height: 20px; margin: 0 auto;"></div> <div style="border: 1px solid black; width: 40px; height: 20px; margin: 0 auto;"></div> <div style="border: 1px solid black; width: 40px; height: 20px; margin: 0 auto;"></div>

Part II Certification
 Under penalties of perjury, I certify that:
 1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
 2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
 3. I am a U.S. citizen or other U.S. person (defined below).
Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here Signature of U.S. person ▶ _____	Date ▶ _____
--	---------------------

General Instructions
 Section references are to the Internal Revenue Code unless otherwise noted.
Purpose of Form
 A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.
 Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:
 1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
 2. Certify that you are not subject to backup withholding, or
 3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.
Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:
 • An individual who is a U.S. citizen or U.S. resident alien,
 • A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
 • An estate (other than a foreign estate), or
 • A domestic trust (as defined in Regulations section 301.7701-7).
Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,
- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China Income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS a percentage of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II Instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the Instructions below and the separate instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name/disregarded entity name" line.

Partnership, C Corporation, or S Corporation. Enter the entity's name on the "Name" line and any business, trade, or "doing business as (DBA)" name on the "Business name/disregarded entity name" line.

Disregarded entity. Enter the owner's name on the "Name" line. The name of the entity entered on the "Name" line should never be a disregarded entity. The name on the "Name" line must be the name shown on the income tax return on which the income will be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a domestic owner, the domestic owner's name is required to be provided on the "Name" line. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on the "Business name/disregarded entity name" line. If the owner of the disregarded entity is a foreign person, you must complete an appropriate Form W-8.

Note. Check the appropriate box for the federal tax classification of the person whose name is entered on the "Name" line (individual/sole proprietor, Partnership, C Corporation, S Corporation, Trust/estate).

Limited Liability Company (LLC). If the person identified on the "Name" line is an LLC, check the "Limited liability company" box only and enter the appropriate code for the tax classification in the space provided. If you are an LLC that is treated as a partnership for federal tax purposes, enter "P" for partnership. If you are an LLC that has filed a Form 8832 or a Form 2553 to be taxed as a corporation, enter "C" for C corporation or "S" for S corporation. If you are an LLC that is disregarded as an entity separate from its owner under Regulation section 301.7701-3 (except for employment and excise tax), do not check the LLC box unless the owner of the LLC (required to be identified on the "Name" line) is another LLC that is not disregarded for federal tax purposes. If the LLC is disregarded as an entity separate from its owner, enter the appropriate tax classification of the owner identified on the "Name" line.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name/disregarded entity name" line.

Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the "Exempt payee" box in the line following the "Business name/disregarded entity name," sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following payees are exempt from backup withholding:

1. An organization exempt from tax under section 501(c)(3), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2).
 2. The United States or any of its agencies or instrumentalities.
 3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities.
 4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
 5. An international organization or any of its agencies or instrumentalities.
- Other payees that may be exempt from backup withholding include:
6. A corporation,
 7. A foreign central bank of issue,
 8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
 9. A futures commission merchant registered with the Commodity Futures Trading Commission,
 10. A real estate investment trust,
 11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
 12. A common trust fund operated by a bank under section 584(a),
 13. A financial institution,
 14. A middleman known in the investment community as a nominee or custodian, or
 15. A trust exempt from tax under section 664 or described in section 4947.

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 9
Broker transactions	Exempt payees 1 through 5 and 7 through 13. Also, C corporations.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 7 ²

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney, and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-629-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, below, and items 4 and 5 on page 4 indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on the "Name" line must sign. Exempt payees, see *Exempt Payee* on page 3.

Signature requirements. Complete the certification as indicated in items 1 through 3, below, and items 4 and 5 on page 4.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee ³ The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ⁴
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulation section 1.671-4(b)(2)(i)(A))	The grantor ⁴
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity ⁴
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulation section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or "DBA" name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see Special rules for partnerships on page 1.

*Note. Grantor also must provide a Form W-9 to trustee of trust.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN.
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration at 1-800-368-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payors must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payor. Certain penalties may also apply for providing false or fraudulent information.

Safely Surrendered



No shame. No blame. No names.

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



Exhibit D-2

In Los Angeles County: 1 877 BABY SAFE 1 877 222 9723

www.babysafela.org

Safely Surrendered Baby Law

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their baby within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

Does the parent or surrendering adult have to call before bringing in the baby?

No. A parent or surrendering adult can bring in a baby anytime, 24 hours a day, 7 days a week, as long as the parent or surrendering adult surrenders the baby to someone who works at the hospital or fire station.

Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

What happens to the parent or surrendering adult?

Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The Safely Surrendered Baby Law prevents this tragedy from ever happening again in California.

A baby's story

Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's aunt and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The aunt was given a bracelet with a number matching the anklet placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The aunt was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.



Ley de Entrega de Bebés *Sin Peligro*



*Los recién nacidos pueden ser entregados en forma segura al personal
de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles*

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



Exhibit D-4

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org

Ley de Entrega de Bebés Sin Peligro

¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazalete y el padre/madre o el adulto que lo entregue recibirá un brazalete igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden comenzar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Ángeles al 1-800-540-4000.

¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan si tienen custodia legal.

¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

¿Qué pasará con el padre/madre o adulto que entregue al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

¿Por qué se está haciendo esto en California? ?

La finalidad de la Ley de Entrega de Bebés sin Peligro es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La Ley de Entrega de Bebés sin Peligro impide que vuelva a suceder esta tragedia en California.

Historia de un bebé

A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazalete con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.



Exhibit E
BACKGROUND AND RESOURCES:
CALIFORNIA CHARITIES REGULATION

There is a keen public interest in preventing misuse of charitable contributions. California's "Supervision of Trustees and Fundraisers for Charitable Purposes Act" regulates those raising and receiving charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) tightened Charitable Purposes Act requirements for charitable organization administration and fundraising.

The Charitable Purposes Act rules cover California public benefit corporations, unincorporated associations, and trustee entities. They may include similar foreign corporations doing business or holding property in California. Generally, an organization is subject to the registration and reporting requirements of the Charitable Purposes Act if it is a California nonprofit public benefit corporation or is tax exempt under Internal Revenue Code § 501(c)(3), and not exempt from reporting under Government Code § 12583. Most educational institutions, hospitals, cemeteries, and religious organizations are exempt from Supervision of Trustees Act requirements.

Key new Charitable Purposes Act requirements affect executive compensation, fundraising practices and documentation. Charities with over \$2 million of revenues (excluding grants and service-contract funds a governmental entity requires to be accounted for) have new audit requirements. Charities required to have audits must also establish an audit committee whose members have no material financial interest in any entity doing business with the charity.

Organizations or persons that receive or raise charitable contributions are likely to be subject to the Charitable Purposes Act. A bidder/proposer on Commission and/or Housing Authority contracts must determine if it is subject to the Charitable Purposes Act and certify either that:

- It is not presently subject to the Act, but will comply if later activities make it subject, or,
- If subject, it is currently in compliance.

RESOURCES

The following resource references are offered to assist bidders/proposers who engage in charitable contributions activities, however, each bidder/proposer is responsible to research and determine its own legal obligations and properly complete the Charitable Contributions Certification form.

In California, supervision of charities is the responsibility of the Attorney General, whose website, <http://caag.state.ca.us/>, contains much information helpful to regulated charitable organizations.

1. LAWS AFFECTING NONPROFITS

The “Supervision of Trustees and Fundraisers for Charitable Purposes Act” is found at California Government Code §§ 12580 through 12599.7. Implementing regulations are found at Title 11, California Code of Regulations, §§ 300 through 312. In California, charitable solicitations (“advertising”) are governed by Business & Professions Code §§ 17510 through 17510.95. Regulation of nonprofit corporations is found at Title 11, California Code of Regulations, §§ 999.1 through 999.5. (Amended regulations are pending.) Links to all of these rules are at: <http://caag.state.ca.us/charities/statutes.htm>.

2. SUPPORT FOR NONPROFIT ORGANIZATIONS

Several organizations offer both complimentary and fee-based assistance to nonprofits, including in Los Angeles, the *Center for Nonprofit Management*, 606 S. Olive St #2450, Los Angeles, CA 90014 (213) 623-7080 <http://www.cnmsocal.org/>, and statewide, the *California Association of Nonprofits*, <http://www.canonprofits.org/>. Both organizations’ websites offer information about how to establish and manage a charitable organization. The above information, including the organizations listed, is for informational purposes only. Nothing contained in this sub-section shall be construed as an endorsement by the Commission of such organizations ralral